



General Assembly

**Bill No. 23**

February Session, 2008

LCO No. 615

\*00615\_\_\_\_\_\*

Referred to Committee on Energy and Technology

Introduced by:

SEN. MCKINNEY, 28<sup>th</sup> Dist.

REP. CAFERO, 142<sup>nd</sup> Dist.

***AN ACT CONCERNING GLOBAL CLIMATE CHANGE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective July 1, 2008*) On or before April 1, 2009,  
2       and April first of each odd-numbered year thereafter, each state  
3       agency shall adopt and submit an energy conservation and climate  
4       change action plan to the Secretary of the Office of Policy and  
5       Management and the Commissioner of Environmental Protection. Said  
6       plan shall include an accounting of existing and future activities and  
7       facilities improvements designed to meet energy savings goals, as  
8       established by the Governor, and reduce greenhouse gas emissions  
9       consistent with levels outlined in the 2005 climate change action plan,  
10      developed pursuant to section 22a-200a of the general statutes. The  
11      Secretary of the Office of Policy and Management, in conjunction with  
12      the Commissioner of Environmental Protection, shall establish  
13      guidelines for and review all state agency plans and report findings to  
14      the Governor.

15      Sec. 2. Section 16a-40b of the 2008 supplement to the general statutes

16 is repealed and the following is substituted in lieu thereof (*Effective July*  
17 *1, 2008*):

18 (a) The commissioner, acting on behalf of the state, may, with  
19 respect to loans for which funds have been authorized by the State  
20 Bond Commission prior to July 1, 1992, in his discretion make low-cost  
21 loans or deferred loans to residents of this state for the purchase and  
22 installation in residential structures of insulation, alternative energy  
23 devices, energy conservation materials, technologies that reduce  
24 greenhouse gas emissions and replacement furnaces and boilers,  
25 approved in accordance with regulations to be adopted by the  
26 Secretary of the Office of Policy and Management. In the purchase and  
27 installation of insulation in new residential structures, only that  
28 insulation which exceeds the requirements of the State Building Code  
29 shall be eligible for such loans or deferred loans. The commissioner  
30 may also make low-cost loans or deferred loans to persons in the state  
31 residing in dwellings constructed not later than December 31, 1979,  
32 and for which the primary source of heating since such date has been  
33 electric resistance, for (1) the purchase and installation of a high-  
34 efficiency secondary heating system using a source of heat other than  
35 electric resistance, (2) the conversion of a primary electric heating  
36 system to a high-efficiency system using a source of heat other than  
37 electric resistance, or (3) the purchase and installation of a high-  
38 efficiency combination heating and cooling system. As used in this  
39 subsection, "high-efficiency" means having a seasonal energy efficiency  
40 ratio of 11.0 or higher, or a heating season performance factor of 7.2 or  
41 higher, as designated by the American Refrigeration Institute in the  
42 Directory of Certified Unitary Air Conditioners, Air Source Heat  
43 Pumps and Outdoor Unitary Equipment, as from time to time  
44 amended, or an equivalent ratio for a fossil fuel system.

45 (b) Any such loan or deferred loan shall be available only for a  
46 residential structure containing not more than four dwelling units,  
47 shall be not less than four hundred dollars and not more than [twenty-  
48 five] thirty-five thousand dollars per structure and, with respect to any

49 application received on or after November 29, 1979, shall be made only  
50 to an applicant who submits evidence, satisfactory to the  
51 commissioner, that the adjusted gross income of the household  
52 member or members who contribute to the support of his household  
53 was not in excess of [one hundred fifty] two hundred per cent of the  
54 median area income by household size. In the case of a deferred loan,  
55 the contract shall require that payments on interest are due  
56 immediately but that payments on principal may be made at a later  
57 time. Repayment of all loans made under this subsection shall be  
58 subject to a rate of interest to be determined in accordance with  
59 subsection (t) of section 3-20 and such terms and conditions as the  
60 commissioner may establish. The State Bond Commission shall  
61 establish a range of rates of interest payable on all loans under this  
62 subsection and shall apply the range to applicants in accordance with a  
63 formula which reflects their income. Such range shall be not less than  
64 zero per cent for any applicant in the lowest income class and not more  
65 than one per cent above the rate of interest borne by the general  
66 obligation bonds of the state last issued prior to the most recent date  
67 such range was established for any applicant for whom the adjusted  
68 gross income of the household member or members who contribute to  
69 the support of his household does not exceed one hundred fifty per  
70 cent of the median area income by household size.

71 (c) The commissioner shall establish a program under which he  
72 shall make funds deposited in the Energy Conservation Loan Fund  
73 available for low-cost loans or deferred loans under subsection (a) of  
74 this section for residential structures containing more than four  
75 dwelling units, or for contracts guaranteeing payment of loans or  
76 deferred loans provided by private institutions for such structures for  
77 the purposes specified under subsection (a) of this section. Any such  
78 loan or deferred loan shall be an amount equaling not more than two  
79 thousand dollars multiplied by the number of dwelling units in such  
80 structure, provided no such loan or deferred loan shall exceed sixty  
81 thousand dollars. If the applicant seeks a loan or deferred loan for a  
82 structure containing more than thirty dwelling units, he shall include

83 in his application a commitment to make comparable energy  
84 improvements of benefit to all dwelling units in the structure in  
85 addition to the thirty units which are eligible for the loan or deferred  
86 loan. Applications for contracts of guarantee shall be limited to  
87 structures containing not more than thirty dwelling units and the  
88 amount of the guarantee shall be not more than three thousand dollars  
89 for each dwelling unit benefiting from the loan or deferred loan. There  
90 shall not be an income eligibility limitation for applicants for such  
91 loans, deferred loans or guarantees, but the commissioner shall give  
92 preference to applications for loans, deferred loans or guarantees for  
93 such structures which are occupied by persons of low or moderate  
94 income. Repayment of such loans or deferred loans shall be subject to  
95 such rates of interest, terms and conditions as the commissioner shall  
96 establish. The state shall have a lien on each property for which a loan,  
97 deferred loan or guarantee has been made under this section to ensure  
98 compliance with such terms and conditions.

99 (d) With respect to such loans made on or after July 1, 1981, all  
100 repayments of principal shall be paid to the State Treasurer for deposit  
101 in the Housing Repayment and Revolving Loan Fund. The interest  
102 applicable to any such loans made shall be paid to the State Treasurer  
103 for deposit in the General Fund. After the close of each fiscal year,  
104 commencing with the close of the fiscal year ending June 30, 1992, and  
105 prior to the date of the calculation required under subsection (f) of this  
106 section, the Commissioner of Economic and Community Development  
107 shall cause any balance of loan repayments under this section  
108 remaining in said fund to be transferred to the Energy Conservation  
109 Loan Fund created pursuant to section 16a-40a.

110 (e) The commissioner shall adopt regulations in accordance with  
111 chapter 54, (1) concerning qualifications for such loans or deferred  
112 loans, requirements and limitations as to adjustments of terms and  
113 conditions of repayment and any additional requirements deemed  
114 necessary to carry out the provisions of this section and to assure that  
115 those tax-exempt bonds and notes used to fund such loans or deferred

116 loans qualify for exemption from federal income taxation, (2)  
117 providing for the maximum feasible availability of such loans or  
118 deferred loans for dwelling units owned or occupied by persons of low  
119 and moderate income, (3) establishing procedures to inform such  
120 persons of the availability of such loans or deferred loans and to  
121 encourage and assist them to apply for such loans or deferred loans,  
122 and (4) providing that (A) the interest payments received from the  
123 recipients of loans or deferred loans made on and after July 1, 1982,  
124 less the expenses incurred by the commissioner in the implementation  
125 of the program of loans, deferred loans and loan guarantees under this  
126 section, and (B) the payments received from electric and gas  
127 companies under subsection (f) of this section shall be applied to  
128 reimburse the General Fund for interest on the outstanding bonds and  
129 notes used to fund such loans or deferred loans made on or after July  
130 1, 1982.

131 (f) Not later than August first, annually, the commissioner shall  
132 calculate the difference between (1) the weighted average of the  
133 percentage rates of interest payable on all subsidized loans made (A)  
134 after July 1, 1982, from the Energy Conservation Loan Fund, (B) from  
135 the Home Heating System Loan Fund established under section 16a-  
136 40k, and (C) from the Housing Repayment and Revolving Loan Fund  
137 pursuant to this section, and (2) the average of the percentage rates of  
138 interest on any bonds and notes issued pursuant to section 3-20, which  
139 have been dedicated to the energy conservation loan program and  
140 used to fund such loans, and multiply such difference by the  
141 outstanding amount of all such loans, or such lesser amount as may be  
142 required under Section 103(c) of the Internal Revenue Code of 1986, or  
143 any subsequent corresponding internal revenue code of the United  
144 States, as from time to time amended. The product of such difference  
145 and such applicable amount shall not exceed six per cent of the sum of  
146 the outstanding principal amount at the end of each fiscal year of all  
147 loans or deferred loans made (A) on or after July 1, 1982, from the  
148 Energy Conservation Loan Fund, (B) from the Home Heating System  
149 Loan Fund established under section 16a-40k, and (C) from the

150 Housing Repayment and Revolving Loan Fund pursuant to this  
 151 section, and the balance remaining in the Energy Conservation Loan  
 152 Fund and the balance of energy conservation loan repayments in the  
 153 Housing Repayment and Revolving Loan Fund. Not later than  
 154 September first, annually, the Department of Public Utility Control  
 155 shall allocate such product among each electric and gas company  
 156 having at least seventy-five thousand customers, in accordance with a  
 157 formula taking into account, without limitation, the average number of  
 158 residential customers of each company. Not later than October first,  
 159 annually, each such company shall pay its assessed amount to the  
 160 commissioner. The commissioner shall pay to the State Treasurer for  
 161 deposit in the General Fund all such payments from electric and gas  
 162 companies, and shall adopt procedures to assure that such payments  
 163 are not used for purposes other than those specifically provided in this  
 164 section. The department shall include each company's payment as an  
 165 operating expense of the company for the purposes of rate-making  
 166 under section 16-19.

167 Sec. 3. Subdivision (8) of section 16a-4a of the general statutes is  
 168 repealed and the following is substituted in lieu thereof (*Effective July*  
 169 *1, 2008*):

170 (8) Provide technical assistance to [municipalities that want] any  
 171 municipality that chooses to aggregate electric generation services.  
 172 Such assistance shall include establishing a program to share  
 173 knowledge, experience and information with each such municipality  
 174 on energy procurement, including, but not limited to, electricity.

175 Sec. 4. (NEW) (*Effective July 1, 2008*) The Renewable Energy  
 176 Investments Board, established pursuant to section 16-245m of the  
 177 2008 supplement to the general statutes, shall establish a residential  
 178 photovoltaic rebate program that encourages homeowners to install  
 179 residential photovoltaic systems. Such program may provide for a  
 180 rebate of not more than forty thousand dollars. The cost of the  
 181 program shall be paid from the Renewable Energy Investment Fund.

182       Sec. 5. (NEW) (*Effective July 1, 2008*) (a) Between July 1, 2008, and  
183       July 1, 2017, inclusive, the Fuel Oil Conservation Board, established  
184       pursuant to section 16a-22l of the 2008 supplement to the general  
185       statutes, in consultation with the Energy Conservation Management  
186       Board, established pursuant to section 16-245m of the 2008 supplement  
187       to the general statutes, shall develop and establish a program to  
188       provide a rebate in the amount of five hundred dollars for the  
189       purchase and installation in residential structures of replacement  
190       propane and oil furnaces and boilers that are not less than eighty-four  
191       per cent efficient and natural gas furnaces or boilers that meet or  
192       exceed federal Energy Star standards. Such rebates shall not exceed  
193       two million dollars in the aggregate per year. Such rebates shall only  
194       be available for residential structures containing not more than four  
195       dwelling units.

196       (b) The rebate program established pursuant to subsection (a) of this  
197       section shall be paid from funds available under the fuel oil  
198       conservation account, established pursuant to subdivision (3) of  
199       subsection (e) of section 16a-22l of the 2008 supplement to the general  
200       statutes, and the account established pursuant to subsection (b) of  
201       section 16-32f of the 2008 supplement to the general statutes.

202       (c) On or before January 1, 2010, the Energy Conservation  
203       Management Board and the Fuel Oil Conservation Board shall report  
204       to the joint standing committee of the General Assembly having  
205       cognizance of matters relating to energy the results of the rebate  
206       program established pursuant to subsection (a) of this section.

207       Sec. 6. (NEW) (*Effective July 1, 2008*) (a) There is established a "green  
208       collar jobs program", which shall be offered through the state-wide  
209       system of regional vocational-technical schools established pursuant to  
210       section 10-95 of the general statutes. Such program may include, but  
211       not be limited to, training for energy efficient building, construction  
212       and building retrofit trades and industries; residential, commercial or  
213       industrial energy efficiency assessment; renewable energy

214 technologies; and sustainable climate change and environmental  
215 compliance strategies.

216 (b) Funding for the green collar jobs program shall be made  
217 available under the fuel oil conservation account, established pursuant  
218 to subdivision (3) of subsection (e) of section 16a-22l of the 2008  
219 supplement to the general statutes; the Energy Conservation and Load  
220 Management Fund, established pursuant to subsection (b) of section  
221 16-245m of the 2008 supplement to the general statutes; and the  
222 account established pursuant to subsection (b) of section 16-32f of the  
223 2008 supplement to the general statutes. Funding for the program shall  
224 not exceed one hundred twenty-five thousand dollars for the fiscal  
225 year commencing July 1, 2008.

226 Sec. 7. (NEW) (*Effective July 1, 2008*) (a) The operator of any motor  
227 bus shall not operate the engine of any motor bus for more than three  
228 consecutive minutes when the bus is not in motion except when (1)  
229 traffic conditions or uncontrollable mechanical difficulties force the  
230 bus to remain motionless, (2) operating the bus's heating, cooling or  
231 auxiliary equipment is necessary to accomplish the intended use of the  
232 bus, including, but not limited to, the operation of safety equipment,  
233 (3) the outdoor temperature is below twenty degrees Fahrenheit, (4)  
234 maintaining a safe temperature for students with special needs is  
235 necessary, (5) the bus is being repaired, or (6) the operator is in the  
236 process of receiving or discharging passengers on a public highway or  
237 public road.

238 (b) Any person who violates any provision of this section shall be  
239 deemed to have committed an infraction for the first offense and for  
240 each subsequent offense shall be fined not less than one hundred  
241 dollars nor more than five hundred dollars.

242 (c) Each person who pays in any sum as a fine or forfeiture for any  
243 violation of this section shall pay an additional fee of ten dollars. The  
244 state shall remit to the municipality in which such violation occurred  
245 the amount paid under this subsection. Each clerk of the Superior



246 Court or the Chief Court Administrator, or any other official of the  
247 Superior Court designated by the Chief Court Administrator, on or  
248 before the thirtieth day of January, April, July and October in each  
249 year, shall certify to the Comptroller the amount due for the previous  
250 quarter under this subsection to each municipality served by the office  
251 of the clerk or official.

252 Sec. 8. Section 16a-47a of the 2008 supplement to the general statutes  
253 is repealed and the following is substituted in lieu thereof (*Effective July*  
254 *1, 2008*):

255 (a) The Department of Public Utility Control shall, in coordination  
256 with the Energy Conservation Management Board, established  
257 pursuant to section 16-245m of the 2008 supplement to the general  
258 statutes, establish a state-wide energy efficiency and outreach  
259 marketing campaign that shall provide targeted information for each  
260 of the following sectors: (1) Commercial, including small businesses,  
261 (2) industrial, (3) governmental, (4) institutional, including schools,  
262 hospitals and nonprofits, (5) agricultural, and (6) residential.

263 (b) The goals of the campaign established pursuant to subsection (a)  
264 of this section shall include, but not be limited to, educating electric  
265 consumers regarding (1) the benefits of pursuing strategies that  
266 increase energy efficiency [, including information on the Connecticut  
267 electric efficiency partner program established pursuant to section 16a-  
268 46e] and combined heat and power technologies, (2) the real-time  
269 energy reports prepared pursuant to section 16a-47d of the 2008  
270 supplement to the general statutes and the real-time energy alert  
271 system prepared pursuant to section 61 of public act 07-242\* and (3)  
272 the option of choosing participating electric suppliers, as defined in  
273 subsection (k) of section 16-244c of the 2008 supplement to the general  
274 statutes.

275 (c) On or before December 1, 2007, the department shall develop  
276 and approve a plan that meets the goals of said campaign pursuant to  
277 subsection (b) of this section. Said plan shall include a coordinated

278 range of marketing activities and outreach strategies, including, but  
 279 not limited to, inserts in customers' utility bills; television, radio and  
 280 newspaper advertisements; printed educational materials; events; a  
 281 comprehensive web site resource serving all sectors; an electronic  
 282 newsletter; planning forums and meetings throughout the state; and  
 283 partnerships with businesses, government entities and nonprofit  
 284 organizations. Said utility bill inserts shall include, but not be limited  
 285 to, information that can assist consumers in evaluating options  
 286 regarding energy efficiency. Said web site shall be maintained and  
 287 updated regularly and shall include, but not be limited to, current rate  
 288 and contact information for participating electric suppliers. Such  
 289 current rate information shall be on said web site with date and time of  
 290 update displayed prominently. The department shall begin the  
 291 implementation of said plan on or before March 1, 2008.

292 (d) The department may retain the services of third-party entities to  
 293 assist in the development and implementation of the state-wide energy  
 294 efficiency and marketing campaign established pursuant to this  
 295 section.

296 Sec. 9. Section 16a-46e of the 2008 supplement to the general statutes  
 297 is repealed. (*Effective July 1, 2008*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	New section
Sec. 2	<i>July 1, 2008</i>	16a-40b
Sec. 3	<i>July 1, 2008</i>	16a-4a(8)
Sec. 4	<i>July 1, 2008</i>	New section
Sec. 5	<i>July 1, 2008</i>	New section
Sec. 6	<i>July 1, 2008</i>	New section
Sec. 7	<i>July 1, 2008</i>	New section
Sec. 8	<i>July 1, 2008</i>	16a-47a
Sec. 9	<i>July 1, 2008</i>	Repealer section

***Statement of Purpose:***

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*